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UNCLAS ZAGREB 000006

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TAGS: \underline{PGOV} \underline{PREL} \underline{HR} SUBJECT: \underline{MESIC} AND KOSOR HEADING FOR SECOND ROUND IN CROATIAN PRESIDENTIAL ELECTIONS

REF: A. ZAGREB 02210 ¶B. ZAGREB 02002

¶C. ZAGREB 01601 1D. ZAGREB 01571

11. SUMMARY AND COMMENT: President Stjepan Mesic fell one percent short of the simple majority he needed for a first round re-election on January 2, finishing the day at 49 percent of the 2.2 million votes cast. He will face Croatian Democratic Union (HDZ) nominee Jadranka Kosor, who received 20 percent of the vote, in a two-candidate runoff on January 116. The biggest surprise was clearly the third-place candidate, a Croatian-American businessman who stunned political analysts with a finish just below 18 percent, nearly edging Kosor out of the second round. The remaining ten candidates each finished below 3 percent. NGO observers reported no irregularities at the polls. Mesic, who finished first in all 21 Croatian electoral districts, is expected to win an easy second round victory, but the HDZ political machine is likely to kick into high gear in the next two weeks and could turn out enough voters to partially erode Mesic's 30-point lead. It remains to be seen whether Miksic voters, who apparently were looking for new faces in Croatian politics, will go for Kosor on January 16) or perhaps not END SUMMARY AND COMMENT. vote at all.

MIKSIC STEALS THE SHOW

- 12. Boris Miksic, a Croatian-American who immigrated in the 1970s and made a fortune in composite plastics in his adopted home state of Minnesota, shocked the country as he led Kosor in exit polls until the diaspora vote was counted, dropping him to third place. Miksic, who personally funded all of his 5-million kuna (USD 1 million) campaign (nearly twice what Mesic spent), tapped into disaffected right-of-center voters, frustration with a HDZ government that they feel has focused on Euro-Atlantic integration at the expense of domestic priorities and conservative values.
- ¶3. Miksic's finish illustrates a call for new faces in Croatian politics. He entered the race in November as a relatively unknown figure, having unsuccessfully run for parliament in 2003, and actually withdrew before the election date was announced due to what he said was the media ignoring his campaign. Apparently enough newspapers noticed his departure to prompt him to quickly re-enter the race. He focused his campaign on improving Croatia's economy, which he said should be done before entering EU negotiations. He also gathered some far right votes with promises that ICTY fugitive Ante Gotovina would walk freely in Croatia under his presidency.
- $\underline{\P}4$. Miksic said he does not intend to tell his voters whom they should support in the second round, but Kosor would be the natural choice for most. We may see the HDZ court Miksic prior to January 16 in an effort to win his endorsement. Miksic has made a big enough splash to stir up Croatian politics, and may be recruited by other parties as well.

KOSOR CALLS FOR DEBATE ON THE ISSUES, NOT PERSONAL JABS

- ${ t extstyle extstyle$ for Kosor and the HDZ, who can thank diaspora voters for saving their collective skin. The low, 51 percent voter turnout (compared to the typical 70 percent) also hurt Kosor, and probably Mesic as well, as base voters who saw the election as a foregone conclusion stayed home. After breathing a deep sigh of relief when the official preliminary results were announced at midnight, Kosor quickly launched into round two, challenging Mesic to debate her on the issues. This would be a welcome change from round one, when the discourse focused on one-liners and personal insults.
- 16. COMMENT: Mesic was perhaps too comfortable with his 30-plus percentage point lead in pre-election polls, letting Kosor's massive media blitz overshadow his campaign. To assure victory, he now must energize his voters, as turnout could be even lower in the second round. END COMMENT. FRANK